

SENATE BILL No. 198

DIGEST OF INTRODUCED BILL

Citations Affected: IC 9-22-1.

Synopsis: Towing and storage of abandoned vehicles. Requires the bureau of motor vehicles to adopt rules concerning rates and charges allowed to be charged by a towing service for the cost of the services related to the removal, storage, and disposal of an abandoned vehicle (vehicle), and requires a towing service to post the allowable charges on its premises. Sets certain requirements for notification by a towing service to an owner or lienholder of a vehicle concerning the towing or storage of the vehicle. Provides that a person who has been charged more than the allowable charges in connection with the removal, storage, or disposal of an abandoned vehicle may bring an action for recovery of the excess charges.

Effective: Upon passage; July 1, 2008.

Paul

January 8, 2008, read first time and referred to Committee on Commerce, Public Policy & Interstate Cooperation.

C
o
p
y



Introduced

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 198

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 9-22-1-4, AS AMENDED BY P.L.191-2007,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2008]: Sec. 4. (a) Except as provided in subsection (c), the
4 person who owns an abandoned vehicle or parts is:

5 (1) responsible for the abandonment; and

6 (2) liable for all of the costs incidental to the removal, storage,
7 and disposal;

8 of the vehicle or the parts under this chapter. **Section 33(c) of this**
9 **chapter applies to costs of the services related to the removal,**
10 **storage, and disposal of an abandoned vehicle.**

11 (b) The costs for storage of an abandoned vehicle may not exceed
12 one thousand five hundred dollars (\$1,500).

13 (c) If an abandoned vehicle is sold by a person who removed, towed,
14 or stored the vehicle, the person who previously owned the vehicle is
15 not responsible for storage fees.

16 (d) If an abandoned vehicle is sold by a person who removed,
17 towed, or stored the vehicle, and proceeds from the sale of the vehicle

2008

IN 198—LS 6744/DI 96+



C
o
p
y

covered the removal, towing, and storage expenses, any remaining proceeds from the sale of the vehicle shall be returned to the previous owner of the vehicle if the previous owner is known.

SECTION 2. IC 9-22-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 4.5. (a) The bureau shall establish, by rules adopted under IC 4-22-2 and subject to section 4(b) of this chapter, a schedule of uniform rates and charges allowed to be charged by a towing service for the cost of the services related to the removal, storage, and disposal of an abandoned vehicle.**

(b) The rules adopted under this section must provide that storage costs for an abandoned vehicle may not exceed twenty-five dollars (\$25) per day.

SECTION 3. IC 9-22-1-19, AS AMENDED BY P.L.191-2007, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 19. (a) Within seventy-two (72) hours after removal of a vehicle to a storage yard or towing service under section 5, 13, 14, or 16 of this chapter, the public agency or towing service shall do the following:**

(1) Prepare and forward to the bureau a report containing a description of the vehicle, including the following information concerning the vehicle:

- (A) The make.
- (B) The model.
- (C) The identification number.
- (D) The number of the license plate.

(2) Conduct a search of national data bases, including a data base of vehicle identification numbers, to attempt to obtain the name and address of the person who owns or holds a lien on the vehicle.

(b) Notwithstanding section 4 of this chapter, if the public agency or towing service fails to notify the bureau of the removal of an abandoned vehicle within seventy-two (72) hours after the vehicle is removed as required by subsection (a), the public agency or towing service:

(1) may not initially collect more in reimbursement for the costs of storing the vehicle than the cost incurred for storage for seventy-two (72) hours; and

(2) subject to subsection (c), may collect further reimbursement under this chapter ~~only~~ for additional storage costs **and any subsequent towing costs** incurred **only** after notifying the bureau of the removal of the abandoned vehicle.

(c) If the public agency or towing service obtains the name and

C
o
p
y



address of the person who owns or holds a lien on a vehicle under subsection (a)(2), within seventy-two (72) hours after obtaining the name and address, the public agency or towing service shall, by certified mail, notify the person who owns or holds a lien on the vehicle of the:

- (1) name;
- (2) address; and
- (3) telephone number;

of the public agency or towing service. Notwithstanding section 4 of this chapter and subsection (b)(2), a public agency or towing service that fails to notify a person who owns or holds a lien on the vehicle as set forth in this subsection may not collect additional storage costs **and charges for a subsequent tow** incurred after the date of receipt of the name and address obtained under subsection (a)(2).

(d) A towing service may not collect reimbursement under both subsections (b) and (c) for storage costs **and charges for a subsequent tow** incurred during a particular period for one (1) vehicle.

SECTION 4. IC 9-22-1-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 33. (a) This section does not apply to a city, town, or county that:**

- (1) operates a towing service as a part of the authority granted to it under IC 36-1-3-2; or**
- (2) has entered into a towing contract under section 31(3) of this chapter.**

(b) A towing service must post, in a place in the premises of the towing service that is visible to the public, a schedule of the charges allowable under rules adopted under section 4.5(a) of this chapter.

(c) A towing service may not charge more than the rates and charges for services as allowed by rules adopted under section 4.5(a) of this chapter concerning the removal of an abandoned vehicle to a storage yard or towing service under section 5, 13, 14, or 16 of this chapter.

(d) A towing service is subject to section 19 of this chapter after having removed an abandoned vehicle to a storage yard or towing service under section 5, 13, 14, or 16 of this chapter.

(e) A person who violates subsection (b) commits a Class C infraction.

(f) A person that has been charged more in connection with the removal, storage, or disposal of an abandoned vehicle than is allowed under the rates established by the rules adopted under section 4.5 of this chapter may file an action in a court in the

C
o
p
y



county in which:

(1) the transaction occurred; or

(2) the owner or lienholder of the abandoned vehicle resides or has a business presence;

to recover the excess charges. The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow recovery of reasonable attorney's fees and costs of the action.

SECTION 5. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 9-22-1-4.5, as added by this act, the bureau of motor vehicles shall establish a schedule of uniform rates and charges allowed to be charged by a towing service in connection with the removal, storage, and disposal of an abandoned vehicle under interim written guidelines approved by the commissioner of the bureau of motor vehicles.

(b) The interim written guidelines establishing a schedule of uniform rates and charges under subsection (a) expire on the earlier of the following:

(1) The date rules are adopted under IC 9-22-1-4.5, as added by this act.

(2) December 31, 2009.

SECTION 6. An emergency is declared for this act.

**C
o
p
y**

